STATE OF MAINE DEPARTMENT OF MARINE RESOURCES

IN THE MATTER OF THE APPLICATION OF)	
PHOENIX SALMON US, INC. FOR RENEWAL)	FINDINGS OF FACT,
OF AN AQUACULTURE LEASE LOCATED IN)	CONCLUSIONS OF LAW
BROAD COVE, EASTPORT, WASHINGTON)	AND DECISION
COUNTY, MAINE)	

On March 27, 2006, Phoenix Salmon US, Inc. applied for the renewal of an aquaculture lease issued on December 12, 1996. The applicant requested a ten-year renewal, to December 11, 2016, of a 45-acre net pen culture lease located in Broad Cove in Eastport, Washington County, Maine.

Notice of the application for lease renewal was published in the May, 2006 issue of Commercial Fisheries News and the April 28, 2006 and May 12, 2006 issues of The Quoddy Tides. Members of the public, riparians and interested persons were given to May 29, 2006 to submit comments or to request a hearing on the application for lease renewal. One comment in support of the renewal and no requests for a hearing on this application were received by the Department during the comment period.

Applications for aquaculture lease renewals are governed by 12 M.R.S.A. §6072(12) and Chapter 2.45 of the Department's rules, which provide that an aquaculture lease shall be renewed if the lessee has complied with the lease agreement during its term; the Commissioner determines that renewal of the lease is in the best interest of the state; the renewal will not cause the lessee to be a tenant of any kind in leases covering an aggregate of more than 500 acres; and the lease is not being held for speculative purposes.

The applicant has complied with the lease agreement during its term. In determining whether it is in the best interest of state to renew the lease, the Department takes into consideration, among other things, the potential for conflict with other new or existing uses of the area which the Commissioner determines to be a higher use of the area from the perspective of the public interest. There are no known conflicts with other new or existing uses

of the area. Additionally, the renewal of this lease will not cause the applicant to lease more than 500 acres.

In determining whether the lease is being held for speculative purposes, the Department

looks to whether substantially no aquaculture or research has been conducted on the lease site.

The applicant has conducted aquaculture on the lease site during its term. Therefore, I find that

the lease is not being held for speculative purposes.

Decision

The Commissioner of Marine Resources grants the application of Phoenix Salmon US, Inc. for renewal of the 45-acre aquaculture lease located in Broad Cove, Eastport, Maine, for a period of ten years, to December 11, 2016. In the renewal of this lease, Phoenix Salmon US, Inc. is subject to the same terms, conditions, and obligations as set forth in the original lease.

Dated:	
<u> </u>	George D. Lapointe (Commissioner)
	Department of Marine Resources